BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF UNITED STATES POSTAL SERVICE
WITNESS EMILY ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORIES
GCA/USPS-T3-1, 2, 5, 7 THROUGH 29 AND 31 THROUGH 39**

The United States Postal Service hereby files the responses of witness

Emily Rosenberg to the above-listed interrogatories of the Greeting Card Association

dated February 8, 2012. Each interrogatory is stated verbatim and followed by the

response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-1
Please refer to library reference USPS-N2012-1/14, excel file, "14_Mail Processing Window Scoring Tool.xls".
(a)   Please refer to worksheet "Results" cell R4 (Annual Savings) and explain what annual savings mean in the context of this model.
(b)   Please refer to worksheet "Assumptions", cell E22 (Number of days for earliest delivery), and explain what this assumption means in the context of this scoring tool.
(c)   This subpart requests explanation of certain operations using the scoring tool:
i. Suppose that we change the entry in the above cell (E22) to 1, and click on "Generate Iteration Results" and compare "Annual Savings" shown in the "Results" worksheet, cell R4. The ""Annual Savings" for 1-day delivery according to this scoring tool, becomes $6,872.7 whereas for 2-day delivery in the original "Results" tab was $6,371.56. Please fully explain these results.
ii. Please change the entry value for cell E22 in the "Assumptions" worksheet back to 2 and generate the results. This time the "Annual Savings" under "Results" tab become $6,872.7 (the same value as for a 1-day delivery assumption) not $6,371.56 (value for a 2-day delivery assumption). Please explain the reason for this discrepancy.

RESPONSE
A.   Annual savings is a scoring metric. For each iteration run, it equals the values on

tab, "Calculations" cell N46.

B.   This defines the minimum service standard, which impacts the feasible

processing windows. A value of one means an overnight standard for First Class

mail exists. Two means the earliest delivery service standard for First Class Mail

is two days.

C.   i. The detailed breakdown of calculations can be found on the calculations tab in

cell N46. The formulas can be used to trace how the results are calculated. This

can be done by choosing "Tools" on the MS Excel menu bar, and choosing

"Formula Auditing" from the drop down menu. From the next drop down you can

look at all the formula's precedents. In addition, there is an option under the

"Tools" menu to turn on the formula auditing mode, so all formulas can be traced.

ii. In addition, to replicate the exact results you need to ensure that all

RESPONSE to GCA/USPS-T3-1 (continued)

assumptions are identical. You can use the tool two ways: perform one-off

assumption changes or have it run through multiple iterations. The 6,371.56 is a

result of an   earlier run where the iteration function was used. The 6,872.7 is

based on the assumptions currently saved in the model. That value resides in

cell N46, on the calculations tab, prior to making any adjustments. Thus, they do

not match because you are not comparing the "like" scenarios.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-2

In your testimony on page 1 lines 1-9, you appear to state that your work assumes the service standard changes proposed by USPS witness Williams, and that you essentially start with that as a given input, from which you derive a new network proposal (lines 5-6). However, on lines 7-9 you seem to state just the reverse, namely that your work determined "the network concept on which the proposed service standard changes are based."

(a)   Please explain whether your work itself concluded that an end to overnight delivery was necessary, or whether you took that as a given and then worked to determine a possible new network flowing from that that maximized potential savings to USPS.

(b)   (i) Did you explore whether other operating windows were possible for single piece that also achieved savings to USPS but (as with Presort First-Class Mail under the Postal Service proposal) did not necessarily end overnight delivery?
(ii) If your answer to (b)(i) is affirmative, please provide all documentation of your efforts.
(iii) If your answer to (b)(i) is negative, please explain why did you not consider such alternatives for Single Piece as you did with Presort?

(c)   Please refer to page 6, lines 1-2, of your prefiled testimony. Does this sentence mean that "the twenty-four hours" referred to was a built-in feature of the Excel calculator, rather than a variable input which was entered into it (and could be replaced by a different value in a different run)?

RESPONSE

A.   My work determined the network that could be created based on the service

standard changes described by witness Williams. My work recognized that the

constraint within the mail processing network was the overnight delivery of First-

Class Mail (FCM), and my work realized that the modification of the FCM service

standard could lead to significant consolidation opportunities as detailed

throughout this docket.

B.   i.   No detailed analysis was completed by me. See the response to

GCA/USPS-T1-1.

ii.   See the response to GCA/USPS-T1-1.

iii.   I was not directed to.

RESPONSE to GCA/USPS-T3-2 (continued)

C.   Cell E22 could allow one to run an iteration of the model with no additional

service days.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-5
What is the current underutilization of DPS (or idle time) for rural delivery areas as compared to urban/suburban delivery on average nationally? Please quantify your answer as precisely as possible.

RESPONSE

This question cannot be answered. The service areas for many plants include a mix of

rural, urban, and suburban addresses. DPS machines that are double banked are not

necessarily dedicated to rural, urban, or suburban zones.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-7
On page 2, lines 22-23, you state "we worked towards developing an operating plan and associated service standards…".
(a) What other witnesses in this case or other USPS staff or outside consultants does "we" refer to?
(b) Does the above-quoted statement mean that you did not start with either a new operating plan or a new set of service standards, but developed these simultaneously or sequentially?
(c) If your answer to (b) is in the affirmative, please provide all iterations that are not now in your pre-filed materials, or in the case of existing library references, please provide citations to all such iterations.

RESPONSE

A.   No other N2012-1 witnesses were involved in the modeling. The "we" includes

my immediate manager, and his staff at the time of modeling.

B.   Not confirmed. Although the assumption to have no overnight was decided prior

to modeling, it still must be determined which 3-digit ZIP Code pairs would

have a First Class Mail service standard of 2-day and which would have a 3-day

First Class Mail service standard. This is dependent upon operating windows

and modes of transportation.

C.   Not applicable.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-8
On page 3 of your testimony, lines 2-5, you discuss the first two steps in your work.
a.   Please define specifically and in detail "theoretical", "feasible", "model" and "optimization" as used in your discussion.
b.   You state that the first step was to build a tool "for determining operating windows…". How many sets of windows did you look at for FCLM, for Presort, and for SP FCLM? Please document each such research effort and provide all data or other results from this first step, whether or not included in your pre-filed materials.
c.   Please explain in detail whether your "second step" optimization model created multiple mail processing network structures depending upon which sets of operating windows you used in step one. Please provide all the output from these efforts, not included in your pre-filed materials, or in the case of the latter full citations to such materials.

RESPONSE

A.   Definitions:

          Theoretical: the scoring tools results predicted by theory but has not yet been

          sufficiently tested by observation or more detailed analysis

          Feasible-if the scenario is actionable

          Model- a representation to illustrate a framework for discussion.

          Optimization—This refers to the logic net software, which was used as a least

          cost optimization model.

B.   The scoring tool includes a subset of the iterations run. There is no document

          that includes all iterations of the assumptions changes and their corresponding

          results.

C.   We only modeled the scenario described in USPS-T-1. Please see the response

          to APWU/USPS-T3-2.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-9

(a)   Regarding your interviews or sharing of materials with area or district managers, did this process take place before or after the proposed service standards in this case had been selected?

(b)   Were managers presented with changes in service standards other than ending overnight delivery of FCM?

(c)   Did the idea of keeping overnight standards for Presort but ending them for Single Piece FCLM emanate from the managers, from your model, or else-where? Please be specific as to the source if your answer is "elsewhere".

(d)   What range of factors did managers cite in opposition to, for example, closing their own plant?

(e)   Did those factors include any discussion with or by any manager of how far bulk mailers of FCLM would have to transport their mail to a USPS facility? If so, please provide details of those conversations.

(f)   Did those factors include any discussion with or by any manager that with added transport distances and earlier entry windows, the higher costs could lead bulk entry mail to decline, and mail processing of those volumes to revert back to the Postal Service for all mail processing steps? Please fully explain your answer.

RESPONSE

A.   I am informed that the business rules of the proposed service standards were not fully developed until after the Advanced Notice of Proposed Rulemaking comments were received. The network discussions that took place were based on a general framework of not having an overnight service standard, not the final proposed rules that are the subject of this docket.

B.   I am informed that they were not.

C.   I am informed that the change was the result of feedback and comments related to the new operational window. It was quickly realized that mailers may be able to enter prior to the initiation of the DPS processing, and that there was no reason to not allow that to occur.

D.   I do not know. I did not participate in all teleconferences.

E.   Not to my knowledge.

F.   Not to my knowledge.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-10
On page 12, line 12, of your testimony, please fully define what you mean by "nodes".

RESPONSE

Nodes are potential future mail processing locations.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-11
On page 12, line 20,
(a) Please fully define what you mean by "local DPS operation."
(b) Are there any non-local DPS operations? If there are, please state what they are,
how many there are, and what is their rate of capacity utilization.

RESPONSE

A.   On page 12, line 20 I do not use the term "local DPS". Please clarify the

        reference.

B.   See the response to part A.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY

GCA/USPS-T3-12
On page 4 lines 4-9, you state that "late arriving mail … ultimately constrains the DPS processing window …".
(a)   What percentage of each night's mail is "late arriving mail," as you have here used that expression?
(b)   Does late arriving mail fall outside of the cut-off times as reflected in current service standards?
(c)   If late arriving mail were withheld until the next day, what would be the increase above your four hours estimate in the DPS processing window with current overnight service standards?
(d)   What increase in DPS utilization rates would accompany the proposal in part c. above, and how many DPS machines could be eliminated as a result?

RESPONSE

A.   I have not performed an analysis that would provide a basis for quantifying this phenomenon. The operating plans are not standardized today. Each plant's sort plans have different clearance times, depending on the dispatch of value trip to the delivery unit.

B.   No. Late arriving mail, in this context, is volume arriving close to the end of the operating window.

C.   Holding "late arriving" mail to the next day changes the service standard for that pair, and thus it is a service standard change expanding the window.

D.   See the response to part C. Late arriving mail can not be held to the next day while still maintaining service standards. Thus, the assumption laid out in the question describes an environment in which service standards are changed. I am not familiar with the term "DPS utilization rates."   If the question is referring to DBCS utilization rates, since the hypothetical requires service failure, a response cannot be provided since the mail processing windows are still constrained to maintain current service standards.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-13
What is the actual mean, median, mode, and range of machine throughput in letters per hour DPSed you collapse into a "constant" on page 4, lines 13-14?

RESPONSE

See the response to POIR No. 4, Question 4.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-14

Please fully label and provide the inputs and outputs for each and every cost and benefit option evaluated with your MS Excel scoring tool, as referenced on page 4, line 21.

RESPONSE

The tool filed is the record of the iterations run.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-15

On page 5, lines 16 – 22, you state that your scoring tool "allows a combination of assumptions and outputs" and a "worksheet that allows the modeler to run many scenarios."

(a)   By "combination" do you mean solely various time allocations of a full extra day to process FCLM as between transportation functions and mail processing functions?

(b)   If your answer to a. was "yes", please explain why you limited the flexibility of your model so that it could not look at alternative operating windows for Single Piece FCLM specifically and FCLM generally.

(c)   If your answer to a. was "no", please explain how to use your scoring tool to evaluate the increase in efficiency by increasing the mail processing window using values in between current service standards and an extra 24 hours, e.g. an extra 2 or 4 hours, an extra 6 hours, etc.

RESPONSE

A.   No, the model allows all assumptions to interact including operating windows and

 travel time.

B.   Not applicable.

C.   This tool cannot be used to evaluate efficiency.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-16
With respect to the first page appended to your testimony after page 37, you indicate
that "other assumptions" can be made regarding those listed under "general".
(a)   Under "number of days for earliest delivery", can your model be run if another
        assumption is made, in extra hours rather than extra days?
(b)   If your answer to (a) is "no", please explain fully why the assumption was not
        listed in extra hours rather than being constrained to extra days only (that is,
        constrained to a minimum increment of 24 hours rather than one or more
        fractions of that 24 hours?
(c)   If your answer to (a) is "yes", please explain how to input hours rather than days
        for earliest delivery, and if it is "no" please recalibrate your model to allow for
        such iterations, and provide model outputs resulting from them.

RESPONSE

I am not aware of a page being appended to my testimony. Please clarify.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-17
Please refer to your prefiled testimony at page 12, lines 8-10.
Does the expression "reasonable expansion of the 2-day First-Class Mail service standard reach" refer to (a) expanding the two-day area *only* to encompass deliveries formerly served overnight, (b) expanding it *only* to encompass deliveries formerly effected in more than two days, or (c) some combination of (a) and (b). Please explain fully.

RESPONSE

None of the above. The expression refers to the fact that the scoring tool suggested 12 hours of cancellation time. If 12 hours of cancellation time were utilized, and the Postal Service began processing incoming volumes at 08:00, it would be difficult for any plant-to-plant pairs to be 2-day. Therefore, in order to allow for expansion of the 2-day service area between plants, as laid out in the proposed rule, the Postal Service looked at modifying the results of the scoring tool.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-18

(a)   Please fully explain how your model was used, if it was used, to ascertain that by changing drop-off times at Postal Service facilities, one could maintain overnight delivery for Presort mail.

(b)   If the overnight standard for Presort was determined in some other way than your model, please explain fully what that other way used was.

(c)   Did you attempt to replicate this procedure for Single Piece FCLM, that is, change certain entry times, but keep an overnight standard? If not why not? If so please explain fully your conclusions and provide all documentation used or considered in the exercise.

RESPONSE

A.   This was not modeled by me or my staff.

B.   It was quickly realized that mailers may be able to presort their mail volume to the destinating service area and may have the capability to enter mail volumes prior to the initiation of incoming primary and DPS processing which are proposed to begin at 08:00 and 12:00 respectively. That would allow presort mailers to enter mail volumes prior to the sort and achieve next-day delivery.

C.   No. I was not asked to model either scenario. The cancellation and outgoing windows have been defined to begin approximately 17:00 and end by 24:30. Mail volumes entered early would still be required to go through this process steps which are not scheduled to begin until after some zones have already been finalized for the next day's delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-19

(a)   With the growth of online purchases of goods, standard shipping arranged by the vendor via a private company appears in many cases to involve transportation by USPS, but delivery by the private carrier. Did you develop, or have provided to you, information on what percentage of USPS transportation expenditures for parcels is only for such carriage, and how much is for end to end work by USPS from pick-up (or collection) to transportation and delivery? If so, please provide all such information.

(b)   Did you develop, or have provided to you, five year and ten year projections of parcel volume growth for business that entails only the transportation by USPS? If so, please provide them together with an explanation of how they were arrived at.

(c)   Did you develop, or have provided to you, information on how much such business has increased percentage utilization of USPS transportation assets with current service standards, and by how much could it increase utilization rates five and ten years out? If so, please provide all such information.

RESPONSE

(a-c)   Outside of the Alaska bypass program, I have confirmed that the Postal Service

does not tender packages to private delivery services for delivery to residences

and businesses by those firms. The question appears to reflect a

misunderstanding of our Parcel Select product, which is used by some postal

competitors who tender packages to the Postal Service for "last-mile" delivery.

Putting aside the fact that my testimony does not involve cost estimation or

volume projections, it goes without saying that I have not developed nor am I

aware of cost, volume or operational projections for a non-existent private

delivery arrangement.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-20
On the first page appended to your testimony, for each operation under VOLUME,
please state the *current* machine efficiency percentage.

RESPONSE

I am not aware of a page being appended to my testimony. Please clarify.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-21

(a) On the first page appended to your testimony under WORKLOAD WINDOWS, please explain why in the newly proposed network cancellation would have a labor efficiency of only 52 percent, whereas the other windows would have labor efficiencies of 70 percent to 84 percent?

(b) You state labor efficiency is measured as "the ratio of current labor work-hours to expected labor workhours". Please define "expected labor workhours" as that expression is used here. (Does 52 percent, for example, mean then that there will be roughly double the labor workhours after network rationalization than there are now?) Please explain your answer fully.

RESPONSE

(A-B) I am not aware of a page being appended to my testimony. Please provide a

citation to the specific document to which you are referring and, if it is associated

with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-22
On the first page appended to your testimony under VOLUME please provide, or give citations to, a full description of each operation listed.

RESPONSE

I am not aware of a page being appended to my testimony. Please provide a citation to

the specific document to which you are referring and, if it is associated with my

testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-23

(a)   On the first page appended to your testimony, under EQUIPMENT, please explain whether a blank space under the square foot column means the machinery (i) is part of current inventory but not in use at present, or (ii) is part of current inventory but will not be after network realignment, or (iii) something else. If your answer is (iii), please explain fully the meaning of the blank space.

(b)   Does the "# available" column for the row "Automation" under EQUIPMENT mean that the current inventory of all automation equipment is 7,503, and that 12 the subsequent rows in that column break that total down by type of machine? Please explain your answer.

(c)   Why is the average per square feet per machine identical at 2,491 as between the rows labeled "Automation" and "DBCS"?

RESPONSE

(A-C) I am not aware of a page being appended to my testimony. Please provide a

citation to the specific document to which you are referring and, if it is associated

with my testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-24

On page 5 lines 20 – 21, it is unclear whether the sentence is complete. Is its intent that *because* computational time was short, the modeler was able to run many scenarios? If not, please explain the intended meaning.

RESPONSE

Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-25
You examined network rationalization for "the 48 contiguous states of the United
States." (Page 6, lines 18-19) However, the ORC survey included Hawaii and Alaska.
Do you believe network rationalization is (a) unimportant, (b) infeasible, or (c) otherwise
inapplicable for Alaska and Hawaii? Please explain your answer fully.

RESPONSE

The MS Excel scoring tool was a high level strategic model used as a starting point for

discussion. The model used streamlined assumptions and focused on the operations

within the contiguous United Sates through which all but a tiny fraction of domestic mail

volume flows. That should not be misinterpreted as implying that network rationalization

in Alaska or Hawaii (or the U.S. territories) is unimportant, exempted from examination

for purposes of network rationalization or infeasible to implement.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-26
You state on page 6 lines 14 - 15 that the start time and end time for each step in mail processing is the same in every area of the lower 48 states for purposes of your model. Please state what the mean, median, mode and range is currently across all lower 48 processing facilities.

RESPONSE

See the response to POIR No. 4 Question 4.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-27
On page 6 lines 8 – 11, you state that your hypothetical costs are scored, but that they do not represent cost savings estimates for any particular network scenario you have run. Without attaching a number to any hypothetical cost estimate, please explain fully how (or whether) it would be safe to say that, if the hypothetical costs scored in one scenario are lower than the hypothetical costs scored in another scenario, the actual cost savings realized would also be lower?

RESPONSE

The costing tool was just a starting point for discussion. The solution was not selected based on the score. It generated discussion to highlight potential opportunities of expanding windows so management could decide on the scenario to pursue. My testimony does not measure or analyze potential or relative cost savings. I have not performed any analysis of potential or relative cost savings. Accordingly, I have no basis for offering an opinion in response to this question.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-28

(a)   In your model scenarios, did you factor in transportation in USPS owned or
        leased equipment that is not intended for delivery by the Postal Service but
        rather by a private carrier such as FEDEX ground or UPS who have contracted
        for non-local transportation only with the Postal Service? If your answer is not an
        unqualified "no," please explain fully how such transportation was factored into
        your model scenarios.

(b)   How would (or did) such a factor influence your results?

RESPONSE

(A-B) Please see the response to GCA/USPS-T3-19.

GCA/USPS-T3-29

On page 8, lines 1 – 9, you discuss what alternative windows were deemed feasible and infeasible.

(a)   Assume only one percent of the mail was collected after the collection processing window ended. Please explain why this small a percentage should lead to disqualification of that network alternative?

(b)   Assume one percent of the mail was processed after its delivery trip left. Please explain why this small a percentage should lead you to deem that alternative infeasible?

(c)   How many scenarios you deemed infeasible would be eligible for consideration as the new network if the cutoff, as regards both late mail situations covered by (a) and (b), respectively, was (i) ten percent late mail rather than zero percent, with the late mail being processed the next day, and (ii) five percent late mail rather than zero percent, with the late mail being processed the next day?

RESPONSE

A.   The Postal Service did not consider it appropriate to begin any network scenario

with an assumption that some mail volume would fail automatically.

B.   See the response to part A.

C.   This analysis can not be performed as the Scoring Tool only saves feasible

results.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-31
Please refer to your prefiled testimony at page 9, lines 4-6.
(a)　　Please explain fully the derivation of the $1.80/mile trip rate used there.
(b)　　If not fully explained in your answer to (a), please show how this $1.80/mile trip
　　　　rate relates to the Highway Contract Route figure of $2.05/mile used by Postal
　　　　Service witness Bradley (USPS-T10, pages 35-36).

RESPONSE

(A-B)　I utilized an aggregate of all HCR data, the calculation by Dr. Bradley

　　　　(USPS-T-10) was more refined and relied solely on the intra-P&DC HCR

　　　　transportation category.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-32
On page 10, line 5, of your testimony, you allot 0.75 hours for DPS first pass and 3.0 hours for DPS second pass.
(a)   Is this the same period as you describe on page 2 lines 1-3 of your testimony?
(b)   Please explain how you arrived at those numbers (3.75 or 4) and why the total varies from witness Neri's 8 hour estimate for these two passes (see Figure 5, on page 13 of his testimony).

RESPONSE

A.   Not confirmed. The scoring tool was a high level model and needed to account for the fact that DPS second pass can not be completed until all volume is run. The window needed to be allotted to mimic the batch requirement of DPS second pass. For the high-level modeling, time needed to be added to the machine throughput to proxy the queuing of mail into the DBCS.

B.   See the response to GCA/USPS-T4-10(b).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-33
Using your truck size assumption of 53 feet in length (page 9, line 1), is it the case for each and every delivery unit across the country that "a single DPS trip can be dispatched to the delivery unit" with network realignment? (page 10, lines 14-15). Please fully explain your answer, whether affirmative or negative.

RESPONSE

No. What is being communicated through this statement is the Postal Service must

complete DPS processing prior to sending to the delivery unit. It is in the best interest

of the Postal Service to complete all volumes for a local delivery unit such that all of that

mail volume can travel on the same transportation. This statement should not be

construed as implying that a 53' trailer will be dispatched to every delivery unit. The

transportation network is detailed by witness Martin (USPS-T-6).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-34
On page 10 lines 8-9 you conclude that "[c]ancellation and outgoing operations, under the Network Rationalization concept, would only need to be transported within the building." In light of this conclusion, please explain fully why the labor efficiency for the cancellation window is so low at 52 percent, both absolutely and relative to other WORKLOAD WINDOWS (70 percent - 84 percent) in the first page appended to your testimony?

RESPONSE

I am not aware of a page being appended to my testimony. Please provide a citation to

the specific document to which you are referring and, if it is associated with my

testimony, I will endeavor to respond.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-35

On page 10 lines 21-22, you state that "the DPS window was defined at sixteen hours."
(a) Does this mean sixteen compared to your current estimate of four, or witness Neri's estimate of eight, or in addition to today's standard(s)? Please fully explain your answer.
(b) Suppose you define a DPS window as a continuous mathematical function between the current window and your defined sixteen hours. By how much could the DPS window increase (from a base of 4 or 8 hours) without having to eliminate overnight delivery for Single Piece FCLM? Please show all calculations and output from model runs in answering this question.

RESPONSE

A.   The DPS window as defined on page 10 lines 21-22 of my testimony includes

        both Delivery Point Sequence First Pass and Delivery Point Sequence Second

        Pass.

B.   No such analysis has been performed. The premise of a continuous

        mathematical function is at its foundation an incorrect assumption, as DPS

        processing is not a continuous function. DPS processing is contingent upon

        both mail volumes and delivery points. See the response to GCA/USPS-T3-6

        for a hypothetical example. The DPS window can only increase if either mail

        volumes are available earlier, or mail volumes are provided to delivery units later.

        The first necessitates the elimination of overnight standards, the latter would

        mean carriers on the street later, which could lead to later arrival time of mail

        volumes at the end of the day, which pushes the outgoing window back later,

        perpetuating the required capacity constraint between the collection and delivery

        times. There is only so much time between collection and delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-36
Please refer to page 11, lines 4-20, of your prefiled testimony.
Please describe fully the method of evaluating each model run on the six feasibility points set out in that portion of the testimony. In particular, please explain (i) whether each such point was a binary "pass/fail" test or involved some 16 scale of possible values (and if so, how that scale functioned), and (ii) whether all six feasibility points were of equal weight in evaluating the model run.

RESPONSE

The six point scale is binary. If any one factor failed the scenario was considered

infeasible.

1.   Last Collection Trip Arrives Before Collection CET- If volume arrived after the

operating window's Critical Entry Time, the volume arriving would not have sufficient

time to be processed that night and thus would not be able to meet the service

standard. Thus, if this is false, then the scenario is infeasible.

2.   Last Outgoing Trip Arrives Before Incoming CET—mail arriving at the destination

processing plant needs to arrive in the operating window. If not, the volume arriving

after the CET would not have sufficient time to be processed in the operating window

and would most likely not be processed until the next day, and thus not meet the service

standard. Thus, if this is false, then the scenario is infeasible

3.   Incoming CT is after Incoming ST—The clearance time or end time of the

operating window needs to be greater than the start time. If not, there is no operating

window for the mail to be processed. Thus, if this is false then the scenario is

infeasible.

4.   Trip to 918 starts before the 918 is scheduled to start – mail will arrive at Delivery

Point Sequence processing site prior to the start of the DPS window. Otherwise, there

RESPONSE to GCA/USPS-T3-36 (continued)

is no mail to process on the equipment. Thus, if this is false, then the scenario is

infeasible.

5.   AFCS needed for cancellation < current inventory—One assumption was not

invest in new equipment. The current inventory must be greater than the equipment

required to process the mail in the proposed network. Thus, if this is false, then the

scenario is infeasible.

6.   Total Automation needed < current inventory—One assumption was not invest in
new equipment. The current inventory must be greater than the equipment required to
process the mail in the proposed network. Thus, if this is false, then the scenario is
infeasible.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-37
On page 11, lines 19 and 20, by the terms "total letter automation" and "automation inventory" what types and quantities of automation machinery are you referring to?

RESPONSE

Please refer to Library Reference 14. On the worksheet entitled, "Calculations", cell

E56 provides the formula which refers to the "Assumptions" tab cell D47. Automation

equals the sum of CIOSS, CSBCS, DBCS, DIOSS on the "Assumptions" tab.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG TO GREETING CARD ASSOCIATION INTERROGATORY

GCA/USPS-T3-38
On page 11, lines 28-31, would you agree that "operating windows can be expanded" without having to eliminate overnight delivery for Single Piece FCLM? If your answer is anything other than an unqualified "yes" please explain in quantitative detail from your model why that is so.

RESPONSE

No, operating windows could only be expanded if overnight service standards were

relaxed. The operating windows are defined by the beginning and end of processing.

The process cannot begin until all mail volume committed for that day is available to be

processed. This means, under today's service standards, the Postal Service must wait

for all mail volumes from the plant service area, as well as the overnight partners to be

available for sequencing. Until that mail volume is available, the Postal Service cannot

process it. As detailed in the response to question GCA/USPS-T3-6, DPS is not just

driven by mail volume, but also delivery points. Accordingly, volume declines may not

allow for consolidation of schemes on a given machine set due to the time constraints

imposed by an overnight service standard. The only way to expand the mail processing

window under the overnight service standards would be to have all mail volumes

committed for that day available earlier. This would require moving collection times up,

or eliminating plant-to-plant overnight service.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROSENBERG
TO GREETING CARD ASSOCIATION INTERROGATORY**

GCA/USPS-T3-39
(a)   What percentage of Single Piece FCLM actually requires a cancellation step at a mail processing facility, as distinguished from permit imprint, IBI or metered single piece, PC postage and any other Single-Piece postage that does not require cancellation?
(b)   For all SP FCLM that does not impose a cancellation constraint, why would network realignment not allow for overnight delivery of such mail?

RESPONSE

A.   I am informed that such information may be found in Docket No. ACR 2011,

USPS-FY11-14, which contains single-piece First-Class single-piece mail

volumes by shape and indicia.

B.   The Postal Service plans on beginning Outgoing Primary operations at 17:30.

The mail volume would not be sorted through that operation prior to the initiation

of Incoming primary and DPS sequencing. The Postal Service also is proposing

to begin Incoming Primary operations at 08:00 AM, and DPS sequencing at

12:00 PM. Single piece mail volume is not available at that time to be processed

for the next-day delivery.